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2010 Market Access Quota Updates for Agricultural Commodities

Report Categories:

Agricultural Situation

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Report Highlights:

In early April 2010, Korea released its CY2010 Market Access Quota (MAQ) updates, which cover a variety of agricultural commodities ranging from breeding swine to food grade soybeans. These MAQs are used in order to minimize local price fluctuations.

Executive Summary:

On April 5, 2010, the Ministry of Strategy and Finance (MOSF) published the CY 2010 Market Access Quota (MAQ) updates, which cover a variety of agricultural commodities ranging from breeding swine to food grade soybeans. The purpose of these revisions is to ensure sufficient within quota access for specific products in order to minimize spikes in local food and feed prices. The new MAQs are effective as of April 5, 2010.

There are a couple of MAQs that are worth mentioning. First, the MAQ for food grade soybeans remained unchanged from last year at 266,800 metric tons, which is 81,000 metric tons higher than its WTO commitment. Imports of U.S. processing soybeans reached \$56 million in 2009. After processing soybeans, the MAQs for feed preparations and lactose are the next largest in terms of U.S. sales with imports last year reaching \$4.5 million and \$3.4 million, respectively.

Other notable changes were the increased MAQs for breeding swine and poultry. The MAQ for breeding swine was expanded from 1,150 head to 3,000 head in order to accommodate pent-up demand stemming from the prohibition on U.S. and Canadian swine during the last half of 2009 because of fears over H1N1. Korea imported \$1.4 million worth of U.S. breeding swine in 2008. The MAQ for breeding poultry moved up slightly from last year to 611,000 birds. Imports of U.S. breeding poultry totaled \$2.4 million in 2009.

General Information:

Commodities Subject to Current Market Access Quota (WTO Appendix 1-B) Increases Effective, April 5, 2010

HS Code	Commodity	Tariff Rate (%)		CMA for CY 2010 (Metric tons)		
		In-quota	Out-of-quota	Current (A)	Increase (B)	Total (A+B)
0103.10.0000	Live Swine (Pure-bred breeding animals)	0	18	1,850 Heads	1,150 Heads	3,000 Heads
0105.11.1000	Live Chicken (Pure-bred breeding animals) weighing not more than 185g	0	9	461,000 birds	150,000 birds	611,000 birds
0105.94.1000	Live Chicken (Pure-bred breeding animals) weighing more than 185g	0	9			
0712.90.2091	Sweet corn for seeds	0	370	247	123	370
1005.10.0000	Corn for seed	0	328			
0713.31.1000	Mung bean (for seed only)	30	607.5	14,694	6,406	21,100
0713.31.9000	Other mung bean (excluding for seed)	30	607.5			
0713.32.1000	Red beans (for seed only)	30	420.8			
0713.32.9000	Other red beans (excluding for seed)	30	420.8			
1105.10.0000	Flour, meal and powder of potato	5.4	304	10	50	60
1105.20.0000	Flakes, granules and	5.4	304			

	pellets of potato					
1108.11.0000	Wheat starch	8	50.9	227.4	1,683.6	1,911
1108.19.9000	Other starches (excluding for wheat, corn, potato, manioc and sweet potato)	8	800.3			
1108.20.0000	Inulin	8	800.3			
1108.13.0000	Potato starch	8	455	45,692	103,272	148,964
3505.10.3000	Roasted starch	8	385.7			
3505.10.4010	Pre-gelatinised or swelling starch (for food)	8	385.7			
3505.10.4090	Pre-gelatinised or swelling starch (for other)	8	385.7			
3505.10.5010	Etherified or esterified starches (for food)	8	385.7			
3505.10.5090	Etherified or esterified starches (for other)	8	385.7			
3505.10.9010	Other modified starches (soluble starch, roasted, pre- gelatinised or swelling, etherified or esterified starches.	8	385.7			
3505.10.9090	Other modified starches (soluble starch, roasted, pre- gelatinised or swelling, etherified or esterified starches.	8	385.7			
3505.20.1000	Starch glues	8	201.2			
3505.20.2000	Dextrin glues	8	201.2			
3505.20.9000	Other glues (excluding starch glues and dextrin glues)	8	201.2			
1108.14.1000	Manioc(cassava) starch for food	9	455	2,400	41,544	43,944
1108.14.9000	Manioc(cassava) starch for other	9	455			
1108.19.1000	Sweet potato starch	11	241.2	4,376	22,014	26,390
1201.00.9010	Soybean (whether or not broken, excluding for soy bean oil and oil cake)	5	487% or 956 won/kg, whichever is greater	185,787	81,013	266,800
1201.00.9090	Soybean (whether or not broken, excluding for soy bean oil and oil cake)	5				
1207.40.0000	Sesame seed	40	630% or 6660 won/kg, which is greater	6,731	68,889	75,620
1702.11.1000	Lactose	20	49.5	9,400	6,502	15,902
1702.19.1000	Other Lactose	20	49.5			
2309.90.2010	Supplementary feeds, chiefly on the basis of inorganic substances or minerals (excluding chiefly on the basis of micro- minerals)	5	50.6	4,171.4	105,828.6	110,000
2309.90.2020	Supplementary feeds (chiefly on the basis of flavorings)	5	50.6			
2309.90.2099	Other supplementary feeds	5	50.6			
2309.90.9000	Other preparations of	5	50.6			

	a kind used in animal feeding (excluding feed for dog or cat, mixed feeds and supplementary feeds or feed additives)					
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Source: The Ministry of Strategy and Finance (MOSF)